



## Appendix A Contract Administration

*Letter of Delegation (LOD) for NASA Contracts*

A. CONTRACT NUMBER

B. DELEGATION NUMBER

**Note: This document may be tailored to identify specific customer needs not included at the time of origin.**

### 1. Customer Outcomes

*Outcome:* Effective Funds Management

*Supporting Outcome:* Negotiate Forward Pricing Rate Agreements

*Metric:* Timely, Accurate and Supportable Completions of FPRA Negotiations

*Performance Commitment:* Ensure 100% Forward Pricing Rate Coverage at all Beneficial Sites

*Supporting Outcome:* Negotiate Final Overhead Rates

*Metric:* Perform Timely Negotiations of Final Overhead Rates

*Performance Commitment:* Negotiate OH Rates W/ 2 Yrs for Major and 3 Yrs for Non-Major Contractors

*Strategies:* As Identified in the delegated functional elements.

### Points of Contact

PRIMARY: NASA CONTRACTING OFFICER (Name)

PRIMARY: NASA POINT OF CONTACT (Name)

LOCATION

LOCATION

TELEPHONE

TELEPHONE

**A. Pursuant to FAR 42.202 and NASA FAR Supplement (NFS) 1842.202, the following contract administration functions identified in FAR 42.302 (a) are delegated or retained as shown:**

**D = Delegated, R = Retained**

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The following FAR 42.302 functions are retained by NASA: 12, 13, 14, 15, 17, 18, 19, 20, 21, 22, 23, 24, 29, 31, 32, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 56, 58, 59, 62, 63, 64, 69, 70. All other functions are delegated. *If this block is selected, the remaining part of the Appendix does NOT have to be annotated with a "D" or an "R."*

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(1) Review the contractor's compensation structure.

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(2) Review the contractor's insurance plans.

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(3) Conduct post-award orientation conferences.

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(4) Review and evaluate contractors' proposals under Subpart 15.4 and, when negotiation will be accomplished by the contracting officer, furnish comments and recommendations to that officer; except when and only to the extent specifically requested by the NASA contracting officer.

- ☐ (5) Negotiate forward pricing rate agreements (see 15.407-3).
- ☐ (6) Negotiate advance agreements applicable to treatment of costs under contracts currently assigned for administration (see 31.109).
- ☐ (7) Determine the allowable costs suspended or disapproved as required (see Subpart 42.8), direct the suspension or disapproval of costs when there is reason to believe they should be suspended or disapproved (the ACO shall promptly inform the NASA CO when such actions are taken); approve final vouchers is not delegated.
- ☐ (8) Issue Notices of Intent to Disallow or not Recognize Costs - (only for Direct Costs). (See Subpart 42.8.)
- ☐ (9) Establish final indirect cost rates and billing rates for those contractors meeting the criteria for contracting officer determination in Subpart 42.7.
- ☐ (10) Attempt to resolve issues in controversy, using ADR procedures when appropriate (see Subpart 33.2); prepare findings of fact and issue decisions under the Disputes clause on matters in which the administrative contracting officer (ACO) has the authority to take definitive action; except when specifically requested by the NASA CO.
- ☐ (11) In connection with Cost Accounting Standards (see 30.601 and 48 CFR Chapter 99 (FAR Appendix)):
  - ☐ (i) Determine the adequacy of the contractor's disclosure statements;
  - ☐ (ii) Determine whether disclosure statements are in compliance with Cost Accounting Standards and Part 31;
  - ☐ (iii) Determine the contractor's compliance with Cost Accounting Standards and disclosure statements, if applicable; and
  - ☐ (iv) Negotiate price adjustments and execute supplemental agreements under the Cost Accounting Standards clauses at 52.230-2, 52.230-3, 52.230-4, 52.230-5, and 52.230-6.
- ☐ (12) Review and approve or disapprove the contractor's requests for payments under the progress payments or performance-based payments clauses.
- ☐ (13) Make payments on assigned contracts when prescribed in agency acquisition regulations.
- ☐ (14) Manage special bank accounts.
- ☐ (15) Ensure timely notification by the contractor of any anticipated overrun or under run of the estimated cost under cost-reimbursement contracts.
- ☐ (16) Monitor the contractor's financial condition and advise the contracting officer when it jeopardizes contract performance.
- ☐ (17) Analyze quarterly limitation on payments statements and recover overpayments from the contractor.
- ☐ (18) Issue tax exemption forms.

- ☐ (19) Ensure processing and execution of duty-free entry certificates; except when and only to the extent specifically authorized by the NASA CO.
- ☐ (20) For classified contracts, administer those portions of the applicable industrial security program delegated to the CAO (see Subpart 4.4).
- ☐ (21) Issue work requests under maintenance, overhaul, and modification contracts.
- ☐ (22) Negotiate prices and execute supplemental agreements for spare parts and other items selected through provisioning procedures when prescribed by agency acquisition regulations except when and only to the extent specifically authorized by the NASA CO.
- ☐ (23) Negotiate and execute contractual documents for settlement of partial and complete contract terminations for convenience, except as otherwise prescribed by Part 49 except when and only to the extent specifically authorized by the NASA CO.
- ☐ (24) Negotiate and execute contractual documents settling cancellation charges under multi-year contracts except when and only to the extent specifically authorized by the NASA CO.
- ☐ (25) Process and execute novation and change of name agreements under Subpart 42.12 except when and only to the extent specifically authorized by the NASA CO.
- ☐ (26) Perform property administration (refer to Appendix C for details).
- ☐ (27) Approve contractor acquisition or fabrication of special test equipment under the clause at 52.245-18, Special Test Equipment.
- ☐ (28) Perform necessary screening, redistribution, and disposal of contractor inventory.
- ☐ (29) Issue contract modifications requiring the contractor to provide packing, crating, and handling services on excess Government property except when and only to the extent specifically authorized by the NASA CO. When the ACO determines it to be in the Government's interests, the services may be secured from a contractor other than the contractor in possession of the property.
- ☐ (30) In facilities contracts:
- ☐ (i) Evaluate the contractor's requests for facilities and for changes to existing facilities and provide appropriate recommendations to the contracting officer; except when and only to the extent specifically requested by the NASA CO.
- ☐ (ii) Ensure required screening of facility items before acquisition by the contractor;
- ☐ (iii) Approve use of facilities on a noninterference basis in accordance with the clause at 52.245-9, Use and Charges;
- ☐ (iv) Ensure payment by the contractor of any rental due; and
- ☐ (v) Ensure reporting of items no longer needed for Government production.
- ☐ (31) Perform production support, surveillance, and status reporting, including timely reporting of potential and actual slippages in contract delivery schedules.

- ☐ (32) Perform pre award surveys (see Subpart 9.1) except when and only to the extent specifically requested by the NASA CO.
- ☐ (33) Advise and assist contractors regarding their priorities and allocations responsibilities and assist contracting offices in processing requests for special assistance and for priority ratings for privately owned capital equipment.
- ☐ (34) Monitor contractor industrial labor relations matters under the contract; apprise the contracting officer and, if designated by the agency, the cognizant labor relations advisor, of actual or potential labor disputes; and coordinate the removal of urgently required material from the strikebound contractor's plant upon instruction from, and authorization of, the contracting officer.
- ☐ (35) Perform traffic management services, including issuance and control of Government bills of lading and other transportation documents.
- ☐ (36) Review the adequacy of the contractor's traffic operations. (Refer to Appendix B)
- ☐ (37) Review and evaluate preservation, packaging, and packing. (Refer to Appendix B)
- ☐ (38) Ensure contractor compliance with contractual quality assurance requirements (see Part 46). (Refer to Appendix B)
- ☐ (39) Ensure contractor compliance with contractual safety requirements. (Refer to Appendix C)
- ☐ (40) Perform engineering surveillance to assess compliance with contractual terms for schedule, cost, and technical performance in the areas of design, development, and production.
- ☐ (41) Evaluate for adequacy and perform surveillance of contractor engineering efforts and management systems that relate to design, development, production, engineering changes, subcontractors, tests, management of engineering resources, reliability and maintainability, data control systems, configuration management, and independent research and development.
- ☐ (42) Review and evaluate for technical adequacy the contractor's logistics support, maintenance, and modification programs.
- ☐ (43) Report to the contracting office any inadequacies noted in specifications.
- ☐ (44) Perform engineering analyses of contractor cost proposals; except when and only to the extent requested by the NASA CO.
- ☐ (45) Review and analyze contractor-proposed engineering and design studies and submit comments and recommendations to the contracting office, as required.
- ☐ (46) Review engineering change proposals for proper classification, and when required, for need, technical adequacy of design, producibility, and impact on quality, reliability, schedule, and cost; submit comments to the contracting office.
- ☐ (47) Assist in evaluating and make recommendations for acceptance or rejection of waivers and deviations; except when and only to the extent requested by the NASA CO.
- ☐ (48) Evaluate and monitor the contractor's procedures for complying with procedures regarding restrictive markings on data.

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(49) Monitor the contractor's value engineering program.

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(50) Review, approve or disapprove, and maintain surveillance of the contractors purchasing system (see Part 44).

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(51) Consent to the placement of subcontracts.

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(52) Review, evaluate, and approve plant or division-wide small, small disadvantaged and women-owned, veteran-owned, HUBZone, and service-disabled veteran-owned small business master subcontracting plans.

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(53) Obtain the contractor's currently approved company- or division-wide plans for small, small disadvantaged, women-owned, veteran-owned, HUBZone, and service-disabled veteran-owned small business subcontracting for its commercial products, or, if there is no currently approved plan, assist the contracting officer in evaluating the plans for those products.

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(54) Assist the contracting officer, upon request, in evaluating an offeror's proposed small, small disadvantaged, women-owned, veteran-owned, HUBZone, and service-disabled veteran-owned small business subcontracting plans, including documentation of compliance with similar plans under prior contracts.

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(55) By periodic surveillance, ensure the contractor's compliance with small, small disadvantaged, women-owned, veteran-owned, HUBZone, and service-disabled veteran-owned small business subcontracting plans and any labor surplus area contractual requirements; maintain documentation of the contractor's performance under and compliance with these plans and requirements; and provide advice and assistance to the firms involved, as appropriate.

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(56) Maintain surveillance of flight operations.

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(57) Assign and perform supporting contract administration.

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(58) Ensure timely submission of required reports.

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(59) Issue administrative changes, correcting errors or omissions in typing, contractor address, facility or activity code, remittance address, computations which do not require additional contract funds, and other such changes (see 43.101) except when and only to the extent requested by the NASA CO.

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(60) Cause release of shipments from contractor's plants according to the shipping instructions. When applicable, the order of assigned priority shall be followed; shipments within the same priority shall be determined by date of the instruction.

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(61) Obtain contractor proposals for any contract price adjustments resulting from amended shipping instructions. Review all amended shipping instructions on a periodic, consolidated basis to ensure that adjustments are timely made. Except when the ACO has settlement authority, the ACO shall forward the proposal to the contracting officer for contract modification. The ACO shall not delay shipments pending completion and formalization of negotiations of revised shipping instructions.

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(62) Negotiate and/or execute supplemental agreements, as required, making changes in packaging subcontractors or contract shipping points except when and only to the extent requested by the NASA CO.

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(63) Cancel unilateral purchase orders when notified of non acceptance by the contractor. The CAO shall notify the contracting officer when the purchase order is canceled.

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(64) Negotiate and execute one-time supplemental agreements providing for the extension of contract delivery schedules up to 90 days on contracts with an assigned Criticality Designator of C (see 42.1105) except when and only to the extent requested by the NASA CO. Notification that the contract delivery schedule is being extended shall be provided to the contracting office. Subsequent extensions on any individual contract shall be authorized only upon concurrence of the contracting office.

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(65) Accomplish administrative closeout procedures (see 4.804-5).

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(66) Determine that the contractor has a drug-free workplace program and drug-free awareness program (see Subpart 23.5).

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(67) Support the program, product, and project offices regarding program reviews, program status, program performance and actual or anticipated program problems except when and only to the extent requested by the NASA CO.

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(68) Monitor the contractor's environmental practices for adverse impact on contract performance or contract cost, and for compliance with environmental requirements specified in the contract. ACO responsibilities include:

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(i ) Requesting environmental technical assistance, if needed;

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(ii) Monitoring contractor compliance with specifications requiring the use of environmentally preferable products, energy-efficient products, and materials or delivery of end products with specified recovered material content. This must occur as part of the quality assurance procedures set forth in Part 46; and

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(iii) As required in the contract, ensuring that the contractor complies with the reporting requirements relating to recovered material content utilized in contract performance (see Subpart 23.4).

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(69) Administer commercial financing provisions and monitor contractor security to ensure its continued adequacy to cover outstanding payments, when onsite review is required.

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(70) De-obligate excess funds after final price determination.

**B. Pursuant to FAR 42.202 and NASA FAR Supplement (NFS) 1842.202, the following contract administration functions identified in FAR 42.302 (b) are delegated as indicated below:**

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(1) Negotiate or negotiate and execute supplemental agreements incorporating contractor proposals resulting from change orders issued under the Changes clause. Before completing negotiations, coordinate any delivery schedule change with the contracting office.

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(2) Negotiate prices and execute priced exhibits for un-priced orders issued by the contracting officer under basic ordering agreements.

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(3) Negotiate or negotiate and execute supplemental agreements changing contract delivery schedules.

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- (4) Negotiate or negotiate and execute supplemental agreements providing for the de-obligation of unexpended dollar balances considered excess to known contract requirements.

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- (5) Issue amended shipping instructions and, when necessary, negotiate and execute supplemental agreements incorporating contractor proposals resulting from these instructions.

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- (6) Negotiate changes to interim billing prices.

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- (7) Negotiate and definitive adjustments to contract prices resulting from exercise of an economic price adjustment clause (see Subpart 16.2).

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- (8) Issue change orders and negotiate and execute resulting supplemental agreements under contracts for ship construction, conversion, and repair.

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- (9) Execute supplemental agreements on firm-fixed-price supply contracts to reduce required contract line item quantities and de-obligate excess funds when notified by the contractor of an inconsequential delivery shortage, and it is determined that such action is in the best interests of the Government, notwithstanding the default provisions of the contract. Such action will be taken only upon the written request of the contractor and, in no event, shall the total downward contract price adjustment resulting from an inconsequential delivery shortage exceed \$250.00 or 5 percent of the contract price, whichever is less.

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- (10) Execute supplemental agreements to permit a change in place of inspection at origin specified in firm-fixed-price supply contracts awarded to non-manufacturers, as deemed necessary to protect the Government's interests.

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- (11) Prepare evaluations of contractor performance in accordance with Subpart 42.15.

**C. Pursuant to FAR 42.302 (c), the following additional contract administration function shall be performed:**

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- (1) Monitor the contractor's system for control of overtime.

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- (2) Assure overtime compensation is in accordance with the terms of the contract, or in the absence of contractual coverage, that any excepted overtime charged is reasonable and properly allocable.

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- (3) Assure compliance with the requirements of NASA FAR Supplement clause 1852.227-70, New Technology; report contractor discrepancies to the NASA Contracting Officer.

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- (4) Annually review subcontract termination settlements executed by the contractor and report discrepancies to the NASA Contracting Officer, when specifically requested.

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- (5) Other contract administration functions not otherwise delegated as may be specifically requested from time to time by the NASA Contracting Officer.

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- (6) Assist in audits requested.

**D. Pursuant to NASA Policy Directive 9501.3, perform the following Earned Value Management System (EVMS) functions:**

- ☐ (1) Review the EVMS plans at a system level and verify initial and continuing contractor compliance with NASA and DoD EVMS criteria.
- ☐ (2) Perform an independent analysis based on the delegated Agency Surveillance Plan.
- ☐ (3) Provide a monthly summary of this analysis as an inclusion in the Monthly Progress and Status Report.
- ☐ (4) Approve the contractor's proposed system changes.
- ☐ (5) Advise the contractor of the acceptability of such changes within 30 days after receipt from the contractor.
- ☐ (6) Waive the prior approval requirements of the EVMS clause regarding contractor proposed system changes. If the prior approval of system changes provisions is waived, the contractor shall disclose EVMS changes to the ACO at least two weeks prior to the effective date of the implementation.
- ☐ (7) Be provided access, by the contractor, to all pertinent EVMS records and data requested by the ACO or duly appointed representative.
- ☐ (8) Review any substantive changes to the procedures and their impact.
- ☐ (9) Establish a Contract Management Office (CMO) Program Focal Point. The delegated Agency is to establish a single CMO Program focal point, Program Integrator (PI), to manage the Business, Safety and Mission Assurance (S&MA) Letters of Delegation (LOD). The PI shall be responsible for overall CMO LOD planning, team management, program support team integration, communication, and execution of various CMO program surveillance plans. Routine communication and coordination with the Project Officer or NASA POC is required in providing detailed program information, analysis and actions to prevent potential program problems for the Program Manager. Communication will typically be through the Resident Project Officer and NASA POC. The P1 shall ensure monthly CMO program reports, requests for award fee input and other/routine Project Office requests are provided as appropriate.

**E. Reporting Requirements: In addition to reporting requirements identified in the specific functions delegated to the delegated Agency (items above and in the Property Management and Plant Clearance functional area), the plans and reports identified below shall also be provided. Unless specified otherwise distribution shall include the Contracting Officer, NASA Project Manager and NASA POC.**

- ☐ (1) Agency Contract Administration Plan - This plan shall address the following points for all functional areas:
  - ☐ (i) Delegated Agency organization chart (highlight those individuals home-coded to NASA Contracts.
  - ☐ (ii) For each specific function delegated.
  - ☐ (iii) Describe activities to be performed in carrying out the delegated function.



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- (iv) Type and extent of coordination with NASA.
- (v) Products/outputs of effort (what, when, to whom).
- (vi) Standards/References against which the Suppliers performance is evaluated. *NOTE: This plan shall be submitted within 30 calendar days after acceptance of this delegation, for approval by the Contracting Officer. It shall be updated periodically, as the situation dictates.*

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- (2) Plan for delegated Agency Fiscal Year Staffing Requirements - Submit plan upon request for projected staffing requirements for the coming Government Fiscal Year. At a minimum, the projected staffing shall be identified by functional area (including QA), by month.

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- (3) Monthly Progress and Status Report

- (i) Describe efforts performed during the reporting month. Correlate each reported item to the delegated function.

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- (ii) Include hours charged to Contracts (specify specific contract; actual versus planned), with variance analysis. Report shall include QA hours and separately identified re-delegated hours.

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- (4) Award Fee Evaluation Reports

- (i) Provide consolidated DCMA comments to the NASA POC for consideration and inclusion into the NASA Project Manager's Award Fee evaluation reports.

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- (ii) Report shall be required as requested by the Resident Team Lead, but no later than 7 working days after the close of each award fee evaluation period (usually 31 March and 30 September of each calendar year).

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**F. Communications Requirements: It is the intent of the NASA Contracting Officer that NASA and the delegated Agency present a unified position to the contractor. Therefore, all delegated Agency written communications to the contractor, other than routine recurring administrative items shall be coordinated with the NASA POC prior to release. Further, the NASA POC shall be placed on formal distribution of all DCMA written communications to the contractor and Contracting Officer.**

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**G. NASA Safety Requirements: Agency safety shall ensure contractor compliance with contractual safety requirements (TWR-15902) as directed by the NASA POC or Contracting Officer.**

ADDITIONAL REQUIREMENTS